



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON 25, D. C.

4 FEB 1953

MEMORANDUM FOR MR. JAMES Q. REBER, CENTRAL INTELLIGENCE AGENCY:

Attached draft contains some hasty thoughts on the subject.
I believe that at our last meeting you proposed one further
paragraph. I don't recall the wording but go along with its
inclusion.

1 Incl
Draft

Donald H. Ainsworth

DONALD H. AINSWORTH
Colonel, USAF
Directorate of Intelligence

USAF review(s) completed.

DRAFT

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SUBJECT: IAC Comments on "Resume of Budgetary Analysis of Intelligence Programs Planned by the Staff of the Bureau of the Budget"

~~1. Objectives of Review~~

The Intelligence Advisory Committee recognizes that, despite the difficulties involved in a review of all budgets pertaining to intelligence, this is a necessary process if the President is to be informed of the total cost of intelligence as he views all other aspects of the national security program of the government.

The IAC recognizes also that Congress and others outside of intelligence have not to date been fully aware of the interdependence of the various agencies of the government operating either from identifiable intelligence budgets or from non-intelligence budgets. Insofar as an examination of the present distribution of resources will assist in the understanding of this interdependence, it would be helpful. While There has never been any proportion established between money spent on ~~collection~~ collecting as opposed to processing of intelligence information, and it is highly unlikely that there is any necessary proportionate relationship ~~at all~~. ~~Insofar as an effort is made to draw conclusions as to what is an appropriate relationship, we foresee dangers in over-simplification which will ignore the subtleties between these two categories.~~ We foresee dangers in over-simplification which will ignore the subtleties between these two categories should an effort be made to draw conclusions as to what constitutes an appropriate relationship.

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~~-2.- Insofar as this review reveals areas of duplication it should prompt the DCI and IAC to determine that such is profitable or that it should be modified or eliminated.~~ The review may reveal what might at first glance seem to be areas of unprofitable duplication. However, Here again we foresee the dangers of jumping to conclusions without the detailed analysis and understanding of functions which may be characteristic of those who live with the problem ~~on a day-to-day basis~~ from day to day.

~~-3.-~~ In order to offset ~~the~~ these dangers ~~alluded to the above,~~ we heartily support the Bureau's view that we should work closely together. The attached classification list accordingly has been developed in cooperation between the IAC sub-committee and representatives of the Bureau. It represents what jointly seems the most significant and meaningful categorization of intelligence activities in terms of the intelligence processes both from a technical point of view and from a budgetary point of view.

~~-4.-~~ It is believed by the IAC that in proceeding to obtain departmental data opposite the relevant classification categories, the Bureau may be benefited further by continuing consultation with the same group which prepared the classification list. Accordingly, the IAC suggests that the Bureau maintain continuing liaison with that group or to bring matters directly to the IAC if that appears preferable.

. (Add here your thought on proper channels.)